

COMMISSION MEETING MINUTES  
JANUARY 10, 2001

COMMISSION MEMBERS PRESENT:

Dr. Jack Bainter  
Steven Campbell  
Amy Clem  
Mike Kennedy  
Sylvia Kiel  
Ralph Komasinski  
Betty Martin  
Dr. J. Douglas Nelson

COMMISSION MEMBERS ABSENT:

Ryan Guillen  
Rosetta Moses-Hill

Chairman Jack Bainter called the meeting to order at 1:00 p.m. The meeting was held at Ivy Tech State College in the Auditorium, 1 W. 26<sup>th</sup> Street, Indianapolis, Indiana.

Mike Kennedy announced that a quorum of the Commission was in attendance.

Chairman Bainter asked for a motion to approve the minutes of the Commission's November 8, 2000 meeting. A motion to approve the minutes was approved, seconded and passed without objection.

The Chairman asked Mr. David Perlini to give his Executive Director's report. Mr. Perlini began by mentioning that the new federal budget will increase the maximum Pell Grant from \$3,300 to \$3,750. He said that this is the largest one-year change since 1974.

He noted that since the last meeting when the commission adopted a recommended budget for SSACI, a state revenue forecast published in December predicted a budget shortfall of some \$250 million for the current operating year. He mentioned that the disappointing forecast would serve as the foundation for the construction of a State Budget. He said that while the forecast will not impact SSACI's current operations, it was a hint of things to come relative to state planning for the next biennium.

Mr. Perlini said that it was important to note that while the \$250 million revenue shortfall that was projected for this year, a forecast of some 5% growth is expected for the next couple of years. What was not as apparent from the announcement was that the 5% growth was based on a budget that is \$250 million less per year than would otherwise have been expected. In short, Mr. Perlini said, the net effects of these forecasts were quite substantial. He said looking at the three years - the current year and the two years of the next biennium - the real budgetary impact for the state is over \$800 million. This, he commented, posed a significant challenge for the state's budget makers.

He reported that in accordance with these revenue projections, the State Budget presented a budget to the State Budget Committee in which the higher education budget as a whole was essentially flatlined.

Mr. Perlini said that it is a bit premature to be making any decisions based on that budget, but it obviously is a point of concern and establishes the basis from which SSACI will be operating not only legislatively but administratively as we look at the year ahead. He mentioned that flatlining SSACI's budget would result in a decrease from what we requested by about 8.1% in the first year, and a 14.4% decrease from what we requested of in the second year of the biennium. He said that the State Budget Committee announced that it would be crafting its own budget, which is the legislature's responsibility.

Mr. Perlini said that flatlined funding for higher education was not done on the philosophical grounds that such funds were not needed, rather the Budget Agency did it clearly with the revenue restraints in mind. Mr. Perlini noted however that the Budget Agency and Governor's office expects significant changes to be made from those budget recommendations in the months ahead.

Mr. Perlini then focused on the operational side of the organization. He said that the agency has given particular attention to reviewing its programs' compatibility with lifelong learning initiatives, which warrant attention. He said that staff would continue to review the regulations and statutes that govern our operations to determine what changes might make lifeline learning a greater reality for many people. He said that means looking at the time limits we have on the amount of time a person is eligible for SSACI assistance, and the terms under which they might be eligible for assistance on a part time or full time basis.

Mr. Perlini reminded the commission that the agency sent a Dear Colleague letter to those in the financial aid community soliciting recommendations and comments on issues relative to financial aid and lifelong learning initiatives. He said he hoped to receive the bulk of the comments by the end of January. He said staff would review the recommendations along with any potential future of budgetary impacts that might be associated with them.

He noted two recent published reports (which were included in the materials sent to the commission) dealt with issues that in part are relevant to SSACI in terms of its role in funding higher education. One report titled is Measuring Up 2000, The State-by-State Report Card for Higher Education. Mr. Perlini stated that with some qualifications he felt comfortable that the report correctly concluded that Indiana is moving in the right direction with respect to higher education accessibility and affordability. He noted that Indiana was cited as one of the states to watch in the report because of recent initiatives including the Community College program.

Mr. Perlini then referenced another report titled College Affordability: Overlooked Long-Term Trends and Recent 50-state Patterns published by USA Group Foundation and authored by Dr. Jerry Davis. He said the agency has some reservations about the conclusions drawn in the report, but that the research was restricted by the comparative data that was available, which was limited. He said the report does not recognize aid to private and proprietary institutions states have awarded, which represents a significant amount of money. He noted however that he was pleased that the reports notes some positive steps that have recently been implemented in Indiana, the Community College initiative being one of them.

Finally, Mr. Perlini reminded the commission about the College Goal Sunday, which will be held on February 11, 2001.

Dr. Bainter announced that at the luncheon meeting, Dennis Obergfell was presented a plaque for his twenty years at SSACI. He then asked Mr. Obergfell to deliver the Grant Division report.

Mr. Obergfell reported that staff is preparing for the 2001-2002 academic year. He said students are now filing for the 2001-02 academic year and that the filing deadline was March 1, 2001 deadline. He said staff had worked hard to improve how it would process FAFSA applications in hopes of making it applicant friendly. He offered a few examples of how changes in the agency's edit logic process would be implemented to further this goal. He mentioned that David Falls would rejoin SSACI to work in our IT area and that the agency was extremely pleased to have him back. He discussed the progress staff has made relative to developing eGRADS II which will enable students to have online access to their records and give them the ability to make school choice changes. He highlighted some of the other features that will be available to students via eGRADS II this July.

The Chairman asked Yvonne Heflin to report on the work of the Special Programs Division. Ms. Heflin gave the following report:

### **SPECIAL PROGRAMS DIVISION**

#### **2000-01 Work-Study Program**

\$667,099.00 (2000-01 Allocation)  
+100,000.00 (rollover funds)  
**\$767,099.00** (Total)  
-682,873.43 (2000-01 Disbursement)  
**\$ 84,225.53** (Remaining Balance)

#### **2000-01 Minority Teacher & Special Education Services Scholarship**

\$436,076.00 (2000-01 Allocation)  
+ 70,000.00 (1999-00 Carryover)  
**\$506,076.00** (Total Funds)  
  
\$506,076.00 (Total Funds)  
**-172,803.27** (2000-01 Disbursement)  
\$333,272.73 (Remaining Balance)\*

#### **2000-01 Nursing Scholarships**

\$400,000.00 (1999-00 Allocation)  
**-235,763.83** (2000-01 Disbursement)  
\$164,236.17 (Remaining Balance)\*

\*Note many universities submit their reimbursement claims after the second term.

#### **2000-01 Robert C. Byrd Scholarship**

\$557,968.00 - for 528 of 563 scholars (76% of allocation disbursed)

### Paul Douglas Teacher Scholarship Program

|  |                     |
|--|---------------------|
| Collection of Paul Douglas Funds of previous years | \$174,982.26        |
| Collection of Paul Douglas Funds for 2000-01 year  | <u>13,447.26</u>    |
| Total Balance on Hand                              | <b>\$188,429.82</b> |

### Activities for the 2001-02 Year

Ms. Heflin reported that approximately 50,000 brochures, applications, posters and letters for the Minority Teacher & Special Education Services Scholarship, Nursing Fund Scholarship, Robert C. Byrd Honor Scholarship and Work-Study programs have been disbursed to high schools, colleges, libraries and special interest organizations.

She said that the Work-Study program is now online, that eligible students can sign-up to participate in the State Work-Study Program on the Internet, and that employer will be able to lookup and contact potential employees from the State Work-Study Site ([www.state.in.us/ssaci/workstudy](http://www.state.in.us/ssaci/workstudy))

She cited two upcoming projects: 1) Updated programs manual, 2) New programs' rules

Chairman Bainter asked Mr. Floyd Worley to give a report for the Twenty-first Century Scholars Program. Mr. Worley mentioned several important dates. MLK Day of Service - January 15 and all of the sites will do some type of service activity. The second of service is February 2, Groundhog Job Shadow Day. He said the major retreat will be held March 21-23 in Indianapolis and Commission members are invited to attend all or part of the retreat.

Chairman Bainter called on Secretary Mike Kennedy to present the following resolution (R-1.2001.1) regarding the Twenty-first Century Scholars Enrollment Expansion to the commission:

**Whereas**, the State of Indiana has made inroads in terms of new strategies to address the need for improved preparation for postsecondary education, and

**Whereas**, the early intervention aspect of the program is equally as important as the Scholarship component of the program, and

**Whereas**, the Scholars program currently enrolls eligible students during their 8<sup>th</sup> grade year from July 1 through June 30, and

**Whereas**, in the 1999-2000 school year, 79,171 students were enrolled in grade 7, and 78,733 in grade 8, and

**Whereas**, under the authority of IC 20-12-70-15, (2), the Commission may include students who are in grades other than grade 8 as eligible students, and

**Whereas**, in order to reduce the number of eligible students who miss the opportunity to enroll in the program in the 8<sup>th</sup> grade and increase the opportunity for developing and utilizing a seventh grade database to work more closely with these students and their families,

**Now therefore be it resolved** that the Office of Twenty-first Century Scholars be authorized to extend the enrollment period to include eligible 7<sup>th</sup> grade students beginning in school year 2001-2002.

The resolution was moved, seconded and unanimously approved.

Mr. Perlini noted that in preparation for this resolution the office has determined that the cost will approximate \$250,000 annually to add this cohort, and that SSACI can accommodate this change within the parameters of its federal grant resources in support of the Twenty-first Century Scholars program..

With no further business, a motion was made, seconded and approved to adjourn the meeting. The motion carried and the meeting was adjourned.

State Student Assistance Commission of Indiana

By \_\_\_\_\_  
Dr. Jack Bainter, Chairman

By \_\_\_\_\_  
Mike Kennedy, Secretary